

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

EDMONTON NATURAL GAS)	
_____)	CASE NO. 2001-137
)	
ALLEGED VIOLATIONS OF)	
ADMINISTRATIVE REGULATION)	
807 KAR 5:022 AND 49 CFR 189-199)	

O R D E R

On August 15, 2001, pursuant to Administrative Regulation 807 KAR 5:001, Section 4(4), Edmonton Natural Gas (“Edmonton Gas”) appeared for an informal conference with Commission Staff. Edmonton Gas and Commission Staff discussed safety issues related to the violations described in the show cause Order dated June 11, 2001 and the Comprehensive Inspection Report dated May 9, 2001. Edmonton Gas and Commission Staff also discussed the penalties prescribed by KRS 278.992(1) for those alleged violations. Edmonton Gas admitted the cited violations, but disagreed with Commission Staff’s penalty recommendation and reserved the right to file a supplemental pleading in the record.

Edmonton Gas filed its supplemental pleading on October 8, 2001, stating therein that the facts contained in the informal conference memo of August 20, 2001 are factual and accurate. Based upon the response and supplemental pleading filed by Edmonton Gas, the Commission finds that:

1. Edmonton Gas is in violation of the regulations as contained in the Commission's Order of June 11, 2001.

2. Edmonton Gas has waived a formal hearing before the Commission and has submitted a proposed settlement for the imposition of any civil penalty pursuant to KRS 278.992(1).

The Commission, being sufficiently advised, HEREBY ORDERS that:

1. Edmonton Gas is in violation of the pipeline safety regulations as alleged in the Commission's Order of June 11, 2001.

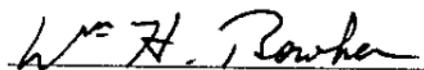
2. Edmonton Gas has waived a formal hearing before the Commission, and no formal hearing shall be held.

3. This matter now stands submitted to the Commission for a decision as to the assessment of any civil penalty.

Done at Frankfort, Kentucky, this 15th day of October, 2001.

By the Commission

ATTEST:


Deputy Executive Director